

Fact Sheet

February 2011



FIXED INCOME OVERVIEW

For the Fixed Income market, the New Year started on a positive note making impressive gains the first few days but then gradually losing the momentum as the month progressed. The concerns stemming from higher inflation and tighter upcoming monetary policy took center stage, and as expected, the Reserve Bank of India (RBI) in its 3Q monetary policy review hiked repo and reverse repo rate by 25 bps each. The CRR and SLR, however, were left unchanged. The RBI also lifted its headline inflation projection for March 2011 to 7% from 5.5% previously while maintaining its 8.5% GDP growth forecast for the current fiscal year, with an upside bias. In order to support the strained liquidity in the system the central bank extended the additional liquidity support to SCBs under the LAF to the extent of up to 1% of their NDTL and a daily second LAF up to April 8, 2011. RBI indicated its stance as being to “contain the spill-over of high food and fuel inflation into generalized inflation and anchor inflationary expectations, while being prepared to respond to any further build-up of inflationary pressures”.

Despite RBI's measure to infuse liquidity in the system by way of OMO, the domestic liquidity continued to remain extremely tight with overnight rates hovering around the central bank's lending rates and the LAF numbers during the month crossing the INR 1 trillion mark. The short-term treasury bills rate remains sticky and the deposit rates at 9-9.5% are already at peak levels (excluding the credit crisis period). The 1-year certificate of deposit is about to breach the double-digit mark.

The inflation currently holds the centre stage and for the month of December, it (the WPI) rose to 8.43% y-o-y from 7.48% last month. In line with the trend, the data for October got revised to 9.12% from 8.58%. The surge in December is due to higher primary inflation, which rose to 16.5% y-o-y from 13% in November. The base effects pulled down manufacturing inflation to 4.5% y-o-y from 4.6% last month. Overall, food inflation (primary and manufactured) rose to 8.6% y-o-y from 6.1% in November; while non-food manufactured inflation, (core measure) rose marginally to 5.4% y-o-y from 5.3%. It is likely that the inflation would continue to remain high with a brief blip in January on the back of a positive base effect. Inflation is likely to close FY11 around 7.00% mark with an upside risk driven by higher global commodity prices, capacity constraints and emergence of demand side pressures.

The industrial production growth in November once again surprised the market albeit on the downside this time, by recording the lowest rate of growth in 18 months at 2.7%. The October IIP got revised to 11.3% from 10.8% earlier. RBI has expressed concerns over the high volatility in IIP data earlier. The loss of working days this November (due to the festival season) and unseasonal rains were expected to lower output growth, but the extent of drop was a surprise. Last year's large base effect will ensure that year-on-year IP growth rates look fragile.

On the trade front, India's deficit for the month of December came at USD 2.6 bln, easing from a deficit of USD 8.9 bln last month to record its lowest level since March 2006. Exports and imports grew by USD 22.5 bln and USD 25.1 bln respectively in December. Growth in exports accelerated to 36.5% y-o-y in December to clock the highest rate of growth since June 2010, but the imports for the first time in last 15 months declined, slumping 11.0% y-o-y compared to a growth of 11.2% last month. On a FYTD basis, exports stand at USD 162.8 bln, most likely to overshoot the Government's target of USD 200 bln for the year. The strong export growth in the last few months has enabled exports to overshoot their pre-crisis levels. On the fiscal side, the April-Nov fiscal deficit was down 39% y-o-y due to continued buoyancy in gross tax collections, which

EQUITY OVERVIEW

The benchmark BSE 100 corrected over 10% in the month of January 2011 as Foreign Institutions (FII) turned net sellers during the month to the tune of USD 1.7 bn. Though Domestic Institutions invested a net of USD 933 mn during the month, this was not enough to stem the decline caused from FII selling. Sectorally Realty, Auto and Capital Goods were the worst hit sectors. This reflects the market's worry on interest rate sensitive sectors originating from the belief that persistently sticky inflation numbers would necessitate a larger and quicker tightening cycle which in turn will affect growth rates. Capital goods suffered due to evidence of lower investment activity in the economy due to various reasons ranging from delays in land acquisitions and other clearances.

Some of the external facing sectors like Information Technology and Healthcare

is up 27% y-o-y v/s budget estimates of 18% and the 3G telecom bonanza. This has resulted in the April-Nov fiscal deficit coming in at Rs. 3.1 trillion, which is 49% of budget estimates and bodes well for the government surpassing its budget estimates.

Globally, the political events in Tunisia and Egypt cast a shadow on market sentiment and apprehensions of higher dollar and oil prices exacerbating the global inflation scare further. Elsewhere, the GDP numbers remain robust in US with 4Q grew +2.8% y-o-y (+3.2% q-o-q annualized), China's 4Q GDP grew a stronger than expected +9.8% y-o-y (full year came in at +10.3% y-o-y) and Germany's 2010 GDP grew at the fastest pace in two decades. The Fed renewed its commitment to complete \$600 bn of treasury purchases by 2Q11. China continued to take steps to tighten policy and control inflationary expectations and there was a further +50bp increase in reserve requirement for banks.

Portfolio review for January '11

The systemic liquidity continues to remain tight while the sovereign curve remained in a range. The Non SLR rates and term asset yields saw a sharp rise tracking the tight liquidity. In the short-term plan, we continue to run short duration.

Expectations for February '11

The domestic liquidity scenario is likely to improve with Government spending. In short-term plan the focus will continue to generate accrual income with marginal duration risk.

Key Financial Data

Benchmark	Current Month	Previous Month	Previous Financial Year	Change	Change
	31/01/11	31/12/10	31/03/10	Monthly Change	Change since March
364 Day T-bill (Primary)	7.59%	7.49%	5.14%	0.10%	2.45%
5-year Gilt Benchmark	7.88%	7.86%	7.53%	0.02%	0.35%
10-year Gilt Benchmark	8.16%	7.92%	7.83%	0.24%	0.33%
30-year Gilt Benchmark	8.56%	8.43%	8.80%	0.13%	-0.24%
91 Day Manufacturing CP(P1+)	9.73%	9.48%	5.75%	0.25%	3.98%
91 day Bank CD	9.25%	9.00%	9.75%	0.25%	-0.50%
1-yr AAA Spreads	1.65%	1.64%	1.55%	0.01%	0.10%
5-yr AAA Spreads	1.16%	0.92%	0.90%	0.24%	0.26%
5-yr OIS	7.98%	7.73%	6.88%	0.25%	1.11%
CRR	6.00%	6.00%	5.75%	0.00%	0.25%
RBI LAF- Reverse Repo Rate*	5.50%	5.25%	3.50%	0.25%	2.00%
Foreign Exchange Reserve (\$ bn)	299.40	297.33	277.04	2.06	22.35
Nymex Crude	92.19	91.38	83.76	0.81	8.43
US Fed Funds Rate	0.25%	0.25%	0.25%	0.00%	0.00%
US 10-yr Gilt	3.37%	3.29%	3.83%	0.08%	-0.46%
INR/USD	45.91	44.71	44.92	2.68%	2.20%
USD/Euro	1.37	1.34	1.35	-2.32%	-1.36%
USD/ Yen	82.04	81.12	93.47	1.13%	-12.23%

*RBI Repo Rate at 6.50%

Sources – Internal & Bloomberg

Ritesh Jain

Head of Fixed Income & Lead Portfolio Manager, Fixed Income Boutique

outperformed the index. This is a result of the feeling that developed market growth is reviving and sectors benefitting from this trend will outperform.

Although we agree with some of the factors affecting near term growth, to us, most of these do not weigh on the structurally positive view that we have on Indian markets. Apart from increasing our overweight positions in information technology and healthcare sector we are also using this opportunity to gain exposure to domestic growth related stocks that we feel have structurally attractive dynamics.

Amay Hattangadi and Sridhar Sivaram

Lead Portfolio Managers, Large Cap Equities

Morgan Stanley A.C.E. Fund

(An open-ended Across Capitalisations Equity Fund)



Details as on Jan. 31, 2011

Portfolio (✓ Top Ten Holdings)

Industry Classification	Security Description	% of Total Net Assets
Banks		19.14%
	✓ ICICI Bank Limited	5.90%
	✓ HDFC Bank Limited	4.88%
	✓ State Bank of India Limited	3.18%
	ING Vysya Bank Limited	1.37%
	IndusInd Bank Limited	1.13%
	Dhanlaxmi Bank Limited	1.07%
	Axis Bank Limited	1.02%
	Indian Bank	0.59%
Software		10.59%
	✓ Infosys Technologies Limited	6.60%
	Tata Consultancy Services Limited	2.43%
	Wipro Limited	1.56%
Pharmaceuticals		8.47%
	✓ Cadila Healthcare Limited	2.56%
	Sun Pharmaceutical Industries Limited	2.42%
	Aurobindo Pharma Limited	2.33%
	Jubilant Life Sciences Limited	1.16%
Petroleum Products		5.40%
	✓ Reliance Industries Limited	5.40%
Construction Project		4.86%
	✓ Larsen and Toubro Limited	3.87%
	Voltas Limited	0.99%
Consumer Non Durables		4.63%
	✓ ITC Limited	4.52%
	Jubilant Industries Limited	0.11%
Ferrous Metals		4.22%
	✓ Jindal Steel and Power Limited	2.91%
	Usha Martin Limited	1.31%
Auto		4.01%
	Tata Motors Limited	1.55%
	Mahindra and Mahindra Limited	1.49%
	TVS Motor Company Limited	0.97%
Power		3.86%
	Power Grid Corporation of India Limited	2.42%
	Reliance Infrastructure Limited	1.44%
Non - Ferrous Metals		3.75%
	✓ Hindustan Zinc Limited	2.71%
	Hindalco Industries Limited	1.04%
Construction		3.56%
	Sobha Developers Limited	1.89%
	Oberoi Realty Limited	1.67%
Finance		3.19%
	Infrastructure Development Finance Company Limited	2.32%
	Manappuram General Finance and Leasing Limited	0.87%
Transportation		2.86%
	Spice Jet Limited	1.43%
	IRB Infrastructure Developers Limited	1.43%
Oil		2.33%
	Oil and Natural Gas Corporation Limited	2.33%
Gas		2.29%
	GAIL India Limited	2.29%
Auto Ancillaries		2.14%
	Motherson Sumi Systems Limited	1.43%
	Exide Industries Limited	0.71%
Retailing		1.92%
	Shoppers Stop Limited	1.92%
Industrial Capital Goods		1.65%
	Bharat Heavy Electricals Limited	1.65%

Industry Classification	Security Description	% of Total Net Assets
Media & Entertainment		1.58%
	Zee Entertainment Enterprises Limited	1.58%
Minerals/Mining		1.44%
	Coal India Limited	1.44%
Engineering Services		0.95%
	Va Tech Wabag Limited	0.95%
Cash and other assets		7.16%
Grand Total		100.00%

Fund Features:

Asset Allocation:

Equity and Equity Related Instruments: 65% – 100%
Debt and Money Market Instruments (including Securitised Debt): 0 – 35%

Expense Ratio:

2.33% of average daily net assets

Portfolio Turnover:

1.05

NAV (₹):

Growth 14.519 per unit
Dividend 13.669 per unit

Fund AUM:

₹ 378.66 crore

Performance (in %)

Period	Fund Returns	BSE 200
1 Year	13.53	9.93
Since inception (April 03, 2008)	14.09	5.52

Past performance is not a guarantee of future returns. Compounded annualised returns of the growth option are computed. Since Inception returns are calculated on ₹ 10/- invested at inception.

SIP Performance - Growth option (as on Jan. 31, 2011)

₹ 2000 invested every month	Amount Invested (₹)	MSACE		Benchmark - BSE 200	
		Present Value (₹)	Returns XIRR %	Present Value (₹)	Returns XIRR %
2 years	48000	63509.11	29.49	57999.58	19.35
Since inception*	66000	96124.53	28.60	85167.98	18.93

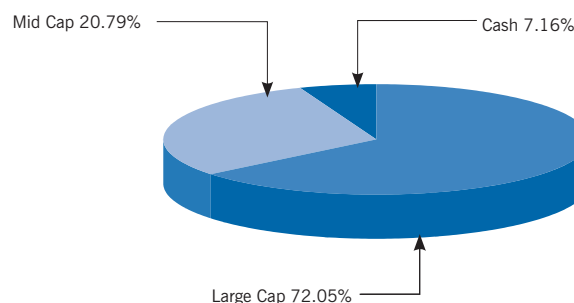
Past performance is not a guarantee of future returns. For SIP returns, monthly investment of equal amounts invested on the first business day of every month have been considered. *The 1st SIP date is considered as May 02, 2008.

Dividend History

Record Date	Dividend Per Unit (₹)	Ex Dividend NAV (₹)
Nov. 04, 2010	1.00	16.076

Note: Face Value Rs. 10/- per unit.

Market Cap Classification



Market Cap Definition:
Mid Cap < ₹ 5000 crore
Large Cap >= ₹ 5000 crore

CRISIL Fund Rank 1 Open Ended Diversified Equity Scheme, December 2010. **Ranking Methodology:** CRISIL Fund Rank 1 – The mutual fund ranking of Morgan Stanley ACE Fund is “Very Good” in the Open Ended Diversified Equity Category, and ranks within the Top 10 percentile of the 76 schemes ranked in this category. The criteria used in computing the CRISIL Mutual Fund Ranking are Superior Return Score, based on NAVs over the 2-year period ended December 31, 2010, Concentration and Liquidity of the scheme. The methodology does not take into account the entry and exit loads levied by the scheme. The CRISIL Mutual Fund Ranking is no indication of the performance that can be expected from the scheme in future.

Morgan Stanley Growth Fund

(An open-ended Equity Fund)

Details as on Jan. 31, 2011

Portfolio (✓ Top Ten Holdings)

Industry Classification	Security Description	% of Total Net Assets
Banks		15.68%
	✓ HDFC Bank Limited	7.40%
	✓ IndusInd Bank Limited	3.69%
	ICICI Bank Limited	2.13%
	State Bank of India Limited	1.57%
	Bank Of Baroda	0.89%
Software		14.03%
	✓ Infosys Technologies Limited	7.57%
	✓ Tata Consultancy Services Limited	5.43%
	Wipro Limited	1.03%
Pharmaceuticals		8.73%
	✓ Dr. Reddy's Laboratories Limited	4.18%
	✓ Glenmark Pharmaceutical Limited	2.91%
	Aurobindo Pharma Limited	1.64%
Media & Entertainment		7.56%
	✓ Sun TV Network Limited	4.13%
	Deccan Chronicle Holdings Limited	1.43%
	Television Eighteen India Limited	1.12%
	DB Corp Limited	0.53%
	IBN18 Broadcast Limited	0.35%
Petroleum Products		7.13%
	✓ Reliance Industries Limited	7.13%
Auto		6.29%
	Tata Motors Limited	2.36%
	Mahindra and Mahindra Limited	1.80%
	Ashok Leyland Limited	1.27%
	Bajaj Auto Limited	0.85%
	Hero Honda Motors Limited	0.01%
Consumer Non Durables		6.27%
	✓ ITC Limited	2.65%
	Shree Renuka Sugars Limited	1.31%
	Asian Paints Limited	1.22%
	Nestle India Limited	1.09%
Non - Ferrous Metals		4.79%
	✓ Hindalco Industries Limited	3.03%
	Hindustan Zinc Limited	1.76%
Construction Project		4.60%
	Larsen and Toubro Limited	2.34%
	Gammon India Limited	1.16%
	Voltas Limited	1.10%
Industrial Capital Goods		4.52%
	Crompton Greaves Limited	1.59%
	AIA Engineering Limited	1.52%
	Thermax Limited	1.41%
Finance		3.34%
	Infrastructure Development Finance Company Limited	1.49%
	Manappuram General Finance and Leasing Limited	1.01%
	Rural Electrification Corporation Limited	0.84%
Industrial Products		3.32%
	Ess Dee Aluminium Limited	1.70%
	Cummins (India) Limited	1.62%
Ferrous Metals		3.22%
	Jindal Steel and Power Limited	2.04%
	Usha Martin Limited	1.18%
Power		2.24%
	KSK Energy Ventures Limited	1.72%
	Jaiprakash Power Ventures Limited	0.52%
Transportation		1.32%
	Spice Jet Limited	1.32%
Construction		1.22%
	Oberoi Realty Limited	0.69%
	The Phoenix Mills Limited	0.53%
Auto Ancillaries		1.14%
	Motherson Sumi Systems Limited	1.14%
Fertilisers		1.10%
	Coromandel International Limited	1.10%
Hardware		1.07%
	Redington India Limited	1.07%
Retailing		0.88%
	Pantaloon Retail India Limited	0.88%
Cash and other assets		1.55%
Grand Total		100.00%

Fund Features:

Asset Allocation:

Equity and Equity related instruments of companies having large market capitalization*: 65 – 100%

Equity and Equity related instruments other than mentioned in above: 0 – 35%

Debt and Money Market Instruments (including Securitised Debt): 0 – 35%

NAV (₹):

Growth 61.329 per unit

Dividend* 18.723 per unit

*option introduced on Jan. 19, 2009

Expense Ratio:

1.90% of average daily net assets

Portfolio Turnover:

0.51

Volatility Measures:

(for trailing 3 year period)

Standard Deviation 9.50%

Beta 0.92

Sharpe Ratio¹ -0.17

Fund AUM:

₹ 1636.53 crore

¹ Risk Free rate is based on 3 month T-Bill rate

Performance (in %)

Period	Fund Returns	BSE 100
1 year	12.14	9.89
3 years	0.10	0.45
5 years	8.90	12.86
Since Inception (18th February 1994)	13.24	10.00

Past performance is not a guarantee of future returns. Compounded annualised returns of the Growth Option has been calculated based on the assumption that all dividends during the period have been reinvested in the scheme at the then prevailing NAV.

SIP Performance - Growth option (as on Jan. 31, 2011)

₹ 2000 invested every month	Amount Invested (₹)	MSGF		Benchmark - BSE 100	
		Present Value (₹)	Returns XIRR %	Present Value (₹)	Returns XIRR %
Since inception*	48000	58317.36	19.94	57460.95	18.34

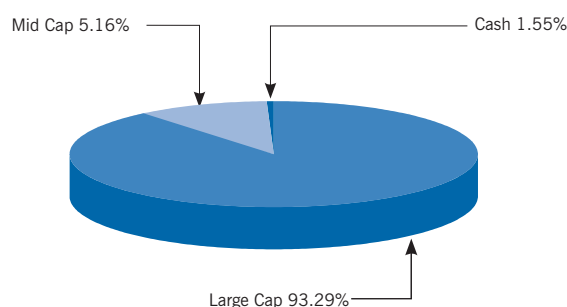
Past performance is not a guarantee of future returns. For SIP returns, monthly investment of equal amounts invested on the 1st business day of every month have been considered. *MSGF became open ended on January 19, 2009, and the first SIP date is considered as February 02, 2009. "2 year returns" are same as "since inception" returns as duration for both is two years only. Hence, 2 year returns are not shown separately.

Dividend History

Record Date	Dividend Per Unit (₹)	Ex Dividend NAV (₹)
Nov. 04, 2010	1.50	22.258

Note: Face Value Rs. 10/- per unit. For details of dividends declared since inception of MSGF, please refer our website.

Market Cap Classification[#]



[#]For the purpose of this Scheme, any company having a minimum threshold limit of market capitalization which is equal to or more than the market capitalization of the 100th stock in BSE 100, as on the date of investment shall qualify as Large Cap Company.

Morgan Stanley Short Term Bond Fund

(An open-ended Debt Fund)



Details as on Jan. 31, 2011

Portfolio

Security Description	Rating	% of Total Net Assets
Money Market Instruments		92.35%
Bank of Baroda	A1+	8.44%
Corporation Bank	P1+	8.43%
Oriental Bank of Commerce	P1+	8.42%
Kotak Mahindra Prime Ltd.	P1+	8.42%
Yes Bank Ltd.	A1+	8.42%
Reliance Capital Ltd.	A1+	8.39%
Canara Bank	P1+	8.38%
Federal Bank Ltd.	PR1+	8.38%
State Bank of Bikaner and Jaipur	P1+	8.36%
Punjab National Bank	P1+	8.36%
Jammu and Kashmir Bank Ltd.	P1+	8.35%
Cash & Current Assets		7.65%
Grand Total		100.00%

Rating Profile

Rating Category	
AAA	92.35%
Cash & Current Assets	7.65%
Grand Total	100.00%

Asset Allocation

Asset Class	
Money Market Instruments	92.35%
Cash & Current Assets	7.65%
Grand Total	100.00%

CRISIL Mutual Fund Rank 1 Debt Short Schemes, December 2010. **Ranking Methodology:** CRISIL Fund Rank 1 – The mutual fund ranking of Morgan Stanley Short Term Bond Fund is “Very Good” in the Debt Short Category, and ranks within the Top 30 percentile of the 31 schemes ranked in this category. The criteria used in computing the CRISIL Mutual Fund Ranking are Superior Return Score, based on NAVs over the 1-year period ended December 31, 2010, Concentration and Liquidity of the scheme. The methodology does not take into account the entry and exit loads levied by the scheme. The CRISIL Mutual Fund Ranking is no indication of the performance that can be expected from the scheme in future.

Morgan Stanley Active Bond Fund

(An open-ended Debt Fund)

Details as on Jan. 31, 2011

Portfolio

Security Description	Rating	% of Total Net Assets
Cash & Current Assets		100.00%
Grand Total		100.00%

Rating Profile

Rating Category	
Cash & Current Assets	100.00%
Grand Total	100.00%

Asset Allocation

Asset Class	
Cash & Current Assets	100.00%
Grand Total	100.00%

Performance (in %)

Period	Regular Plan	Crissil Composite Bond Fund Index
1 year	3.09	4.29
Since inception (May 28, 2009)	2.01	4.19

Past performance is not a guarantee of future returns. Compounded Annualised returns are computed using NAV of Growth Option. Since Inception returns are calculated on ₹ 10/- invested at inception.

Performance (in %)

Period	Regular Plan	Institutional Plus Plan	Crissil Short Term Bond Fund Index
1 year	5.31	5.69	4.47
Since inception (May 26, 2009)	5.25	5.59	4.43

Past performance is not a guarantee of future returns. Compounded Annualised returns are computed using NAV of Growth Option. Since Inception returns are calculated on ₹ 10/- invested at inception.

Fund Features:

Plans/Options and NAV (₹):

Institutional Plus Plan	
Weekly Dividend	
Reinvestment:	10.0740
Monthly Dividend (Payout and Reinvestment):	10.0553
Growth:	10.9610

Regular Plan	
Weekly Dividend	
Reinvestment:	10.0553
Monthly Dividend (Payout and Reinvestment):	10.0497
Growth:	10.8998

Expense Ratio:

Institutional Plus Plan	0.60%
Regular Plan	0.90%

Average Maturity: 1.12 months

Modified Duration: 0.09 years

Yield to Maturity: 8.42%

Rating:

Credit risk rating mfAAA by ICRA[#]

Fund AUM:

₹ 59.05 crore

Dividend History

Plan/Frequency	Record Date	Non-Individuals Per Unit (₹)	Individuals Per Unit (₹)	Ex Dividend NAV (₹)
Regular Plan-Monthly Dividend	Jan. 28, 2011	0.0408	0.0438	10.0434
Regular Plan-Monthly Dividend	Dec. 31, 2011	0.0471	0.0505	10.0335
Regular Plan-Monthly Dividend	Nov. 26, 2010	0.0345	0.0371	10.0271

Note: Face Value ₹ 10 per unit.

Fund Features:

Plans/Options and NAV (₹):

Institutional Plus Plan	
Quarterly Dividend	
(Payout and Reinvestment):	10.0000
Growth:	10.0000

Regular Plan	
Quarterly Dividend (Payout and Reinvestment):	10.3359
Growth:	10.3359

Average Maturity: 0.03 months

Modified Duration: 0.003 years

Yield to Maturity: 5.97%

Rating:

Credit risk rating mfAAA by ICRA[#]

Fund AUM:

₹ 0.68 crore

Expense Ratio:

Institutional Plus Plan	1.20%
Regular Plan	1.75%

[#]ICRA has assigned the “Credit Risk Rating mfAAA” to Morgan Stanley Short Term Bond Fund and Morgan Stanley Active Bond Fund which means that both funds carry the lowest credit risk, similar to that associated with long-term debt obligations rated in the highest-credit-quality category. This rating should however, not be construed as an indication of the performance of the aforesaid Funds or of volatility in their returns. Further, the above rating should not be treated as ICRA’s recommendation to buy, sell or hold the units issued under the said Funds.

Funds at a glance

Particulars	Morgan Stanley A.C.E. Fund	Morgan Stanley Growth Fund	Morgan Stanley Short Term Bond Fund	Morgan Stanley Active Bond Fund
Nature of the Fund	An open-ended Across Capitalisations Equity Fund	An open-ended Equity Fund (open-ended from Jan. 19, 2009)	An open-ended Debt Fund	An open-ended Debt Fund
Date of Allotment	April 03, 2008	February 18, 1994	May 26, 2009	May 28, 2009
Fund Manager	Jayesh Gandhi	Sridhar Sivaram Amay Hattangadi	Ritesh Jain	Ritesh Jain
Investment Objective	To generate long-term capital growth from an actively managed portfolio of equity and equity-related securities including equity derivatives.	To achieve long-term capital appreciation by investing primarily in equity and equity related securities of companies having large market capitalization#.	To generate income from a diversified portfolio of short to medium term debt and money market securities.	To generate optimal returns through active management of the portfolio consisting of debt and money market securities.
Benchmark	BSE 200	BSE 100	CRISIL Short-Term Bond Fund Index	CRISIL Composite Bond Fund Index
Investment Plan/Options	<ul style="list-style-type: none"> Growth Dividend Option - Reinvestment and Payout 	<ul style="list-style-type: none"> Growth Dividend Option - Reinvestment and Payout 	Institutional Plus Plan <ul style="list-style-type: none"> Growth Option Dividend Option - Weekly Reinvestment - Monthly Reinvestment and Payout Regular Plan <ul style="list-style-type: none"> Growth Option Dividend Option - Weekly Reinvestment - Monthly Reinvestment and Payout 	Institutional Plus Plan <ul style="list-style-type: none"> Growth Option Dividend Option - Quarterly Reinvestment and Payout Regular Plan <ul style="list-style-type: none"> Growth Option Dividend Option - Quarterly Reinvestment and Payout
Minimum Investment Amount	Lumpsum: ₹ 5000 and in multiples of ₹ 1/- thereafter SIP: ₹ 1000/- via minimum 6 installments Group SIP: ₹ 250/- via minimum 6 installments	Lumpsum: ₹ 5000 and in multiples of ₹ 1/- thereafter SIP: ₹ 1000/- via minimum 6 installments Group SIP: ₹ 250/- via minimum 6 installments	Lumpsum: Regular Plan - ₹ 5000/- and multiples of ₹ 1/- thereafter Institutional Plus Plan - ₹ 50 lacs and in multiples of ₹ 1/- thereafter SIP: (Regular Plan Only) ₹ 1000/- via minimum 6 installments Group SIP: ₹ 250/- via minimum 6 installments	Lumpsum: Regular Plan - ₹ 5000/- plus in multiples of ₹ 1/- thereafter Institutional Plus Plan - ₹ 50 lacs plus in multiples of ₹ 1/- thereafter SIP: (Regular Plan Only) ₹ 1000/- via minimum 6 installments Group SIP: ₹ 250/- via minimum 6 installments
Additional Investment	₹ 1000 and in multiples of ₹ 1/- thereafter	₹ 1000 and in multiples of ₹ 1/- thereafter	Regular Plan - ₹ 1000/- and in multiples of ₹ 1/- thereafter Institutional Plus Plan- ₹ 1 lac and in multiples of ₹ 1/- thereafter	Regular Plan - ₹ 1000/- and in multiples of ₹ 1/- thereafter Institutional Plus Plan- ₹ 1 lac and in multiples of ₹ 1/- thereafter
Minimum Repurchase amount	₹ 1000/- and in multiples of ₹ 1/- thereafter	₹ 1000/- and in multiples of ₹ 1/- thereafter	₹ 1000/- and in multiples of ₹ 1/- thereafter	₹ 1000/- and in multiples of ₹ 1/- thereafter
SIP/STP Dates	1st, 5th, 10th, 15th, 20th, 25th of every Month/Quarter	1st, 5th, 10th, 15th, 20th, 25th of every Month/Quarter	1st, 5th, 10th, 15th, 20th, 25th of every Month/Quarter	1st, 5th, 10th, 15th, 20th, 25th of every Month/Quarter
Entry Load	Nil.	Nil.	Nil.	Nil.
Exit Load	1% if redeemed/switched on or before the expiry of one year from the date of allotment; otherwise: Nil.	1% if redeemed/switched on or before the expiry of one year from the date of allotment; otherwise: Nil.	Nil.	Nil.

#For the purpose of this Scheme, any company having a minimum threshold limit of market capitalization which is equal to or more than the market capitalization of the 100th stock in BSE 100, as on the date of investment shall qualify as Large Cap Company.

Morgan Stanley Mutual Fund Branch Offices

• Ahmedabad 079 2644 9132	• Bangalore 080 4180 0702	• Chandigarh 0172 4665 295	• Chennai 044 2830 2091
• Delhi 011 6624 9133	• Hyderabad 040 4002 4168	• Kolkata 033 3984 5315	• Mumbai 022 6118 2929
• Pune 020 6500 8349			

Registered Office: Morgan Stanley Investment Management Pvt. Ltd., 19th Floor, One Indiabulls Centre, Tower 2, Jupiter Mills Compound, Elphinstone Road, Mumbai 400 013. Toll free 1800 425 1313, Non-toll-free 040 2342 8757

Note: SIP does not guarantee protection against loss in a declining market. Applicable taxes, exit load, if any have not been considered in calculations and the same, if taken into consideration, may reduce the returns on your actual investments. Please consult your legal/tax/investment advisor before investing.

Statutory Details: Morgan Stanley Mutual Fund has been set up as a Trust under Indian Trusts Act, 1882. **Sponsor:** Morgan Stanley. **Trustee:** Board of Trustees. **Investment Manager:** Morgan Stanley Investment Management Pvt. Ltd. **Risk Factors:** All mutual funds and securities investments are subject to market risks and there can be no assurance that the objectives of the Scheme will be achieved. As with any securities investment, the NAV of the units issued under the Scheme may go up or down, depending upon the factors and forces affecting the capital markets. Past performance of the Sponsors/Investment Manager/Mutual Fund does not, in any manner, indicate the future performance of the Scheme, and may not necessarily provide a basis of comparison with other investments. There is no assurance or guarantee to the unit holders as to the rate of dividend distribution nor that dividends will be paid regularly. Investors in the Scheme are not being offered any guaranteed/assured returns. **Morgan Stanley A.C.E. Fund, Morgan Stanley Growth Fund, Morgan Stanley Active Bond Fund and Morgan Stanley Short Term Bond Fund are only the names of the schemes and do not in any manner indicate either the quality of the schemes, its future prospects or returns.** The liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods. The Sponsor is not responsible or liable for any loss resulting from the operations of the Scheme beyond their initial contribution of ₹ 5 lac towards setting up of the Mutual Fund and such other accretions and additions to the corpus. **Investors should read the Statement of Additional Information and Scheme Information Document/Key Information Memorandum (available at Investor Service Centres, Distributors, and on the Mutual Fund website www.morganstanley.com/indiamf), carefully before investing.**